



**bxp**

**NOVEMBER 2018 GREEN BOND:  
JUNE 30, 2019 ALLOCATION REPORT**

## **Table of Contents** **Page**

**SUSTAINABILITY  
STRATEGY** 3

**KEY ACHIEVEMENTS** 4

**REPORT OF  
INDEPENDENT  
ACCOUNTANTS** 5

**MANAGEMENT  
ASSERTION** 6

**NOVEMBER 2018 GREEN  
BOND: JUNE 30, 2019  
ALLOCATION REPORT** 7

**IMPACT METRICS  
AND EQUIVALENCIES** 8

**PROJECT PROFILE** 9



# SUSTAINABILITY STRATEGY

ADDITIONAL INFORMATION PROVIDED BY MANAGEMENT

As the largest publicly-held developer, owner and manager of Class A office properties in the United States, Boston Properties actively works to promote our growth and operations in a sustainable and responsible manner across our five regions. Our sustainability strategy is broadly focused on the economic, social and environmental aspects of our activities, which include the design and construction of our new developments and the operation of our existing buildings.

We believe that by understanding the social and environmental impacts of our business, we are better able to protect asset value, reduce risk and advance initiatives that result in positive social and environmental outcomes.

Through our efforts, we demonstrate that operating and developing commercial real estate can be conducted with conscious regard for the environment and wider society while mutually benefiting our tenants, investors, employees, partners and the communities we serve.



# KEY ACHIEVEMENTS

ADDITIONAL INFORMATION PROVIDED BY MANAGEMENT



**21 MILLION  
SQUARE FEET  
LEED CERTIFIED**



**68 ENERGY  
STAR CERTIFIED  
PROPERTIES**



**90% ENERGY  
STAR RATED  
PORTFOLIO**



**7 MILLION SQUARE  
FEET FITWEL  
CERTIFIED**



**24% ENERGY  
USE REDUCTION  
SINCE 2008**



**25% WATER USE  
REDUCTION  
SINCE 2008**



**39% EMISSIONS  
REDUCTION  
SINCE 2008**



**61% INCREASE  
IN LANDFILL  
DIVERSION SINCE  
2008**

Data as of December 31, 2018.

# REPORT OF INDEPENDENT ACCOUNTANTS



## Report of Independent Accountants

To the Management of Boston Properties Limited Partnership

We have examined the management assertion of Boston Properties Limited Partnership (BPLP) appearing on page 6, which states the net proceeds of \$988.1 million from the BPLP November 28, 2018 offering of the 4.500% Senior Unsecured Notes due December 1, 2028 were allocated to Eligible Green Projects (as defined in management's assertion) as included on the June 30, 2019 Green Bond Allocation Report, appearing on page 7. BPLP's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

The information included on pages 3, 4, 8 and 9, labeled as "Additional Information Provided by Management", is presented by management of BPLP and is not a part of BPLP's management assertion. The information included on pages 3, 4, 8 and 9 has not been subjected to the procedures applied in the examination engagement, and accordingly, we make no comment as to its completeness and accuracy and do not express an opinion or provide any assurance on it.

In our opinion, management's assertion that the net proceeds of \$988.1 million from the BPLP November 28, 2018 offering of the 4.500% Senior Unsecured Notes due December 1, 2028 were allocated to Eligible Green Projects as included on the June 30, 2019 Green Bond Allocation Report is fairly stated, in all material respects.

A handwritten signature in cursive script that reads "RicewaterhouseCoopers LLP".

Boston, Massachusetts  
September 3, 2019

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# MANAGEMENT ASSERTION

Boston Properties Limited Partnership (BPLP) management is responsible for the completeness, accuracy and validity of the November 2018 Green Bond: June 30, 2019 Allocation Report, which appears on page 7. BPLP management asserts that as of June 30, 2019, the net proceeds of \$988.1 million from the BPLP November 28, 2018 offering of the 4.500% Senior Unsecured Notes due December 1, 2028 were allocated to Eligible Green Projects, as defined below, included on the November 2018 Green Bond: June 30, 2019 Allocation Report, which appears on Page 7.

“Eligible Green Projects” are defined as: (i) building developments or redevelopments; (ii) renovations in existing buildings; and (iii) tenant improvement projects, in each case, that have received, or are expected to receive, in the three years prior to the issuance of the notes or during the term of the notes, a LEED Silver, Gold or Platinum certification (or environmentally equivalent successor standards). The definition of Eligible Green Projects includes the Salesforce Tower development project, which has received LEED Platinum certification.

Leadership in Energy and Environmental Design (“LEED”) is a voluntary, third-party building certification process developed by the U.S. Green Building Council (“USGBC”), a non-profit organization. The USGBC developed the LEED certification process to (i) evaluate the environmental performance from a whole-building perspective over a building’s life cycle, (ii) provide a definitive standard for what constitutes a “green building,” (iii) enhance environmental awareness among architects and building contractors and (iv) encourage the design and construction of energy efficient, water-conserving buildings that use sustainable or green resources and materials. Please see [www.usgbc.org](http://www.usgbc.org) for more information.



# NOVEMBER 2018 GREEN BOND: JUNE 30, 2019 ALLOCATION REPORT

On November 13, 2018, Boston Properties Limited Partnership (“BPLP”), agreed to sell \$1.0 billion of 4.500% senior unsecured notes due December 1, 2028 in an underwritten public offering.

<b>Net Proceeds from Offering of Unsecured Senior Notes</b>			<b>Issuance Date</b>	<b>Net Proceeds</b>
Boston Properties Limited Partnership (BPLP), 4.500%, Senior Unsecured Notes due December 1, 2028			November 28, 2018	\$988.1M

  

<b>Property</b>	<b>Market</b>	<b>Address</b>	<b>LEED Certification</b>	<b>Allocation to Eligible Green Projects as of June 30, 2019</b>
Salesforce Tower	San Francisco	415 Mission Street	Platinum (certification awarded August 17, 2018)	\$988.1M

# IMPACT METRICS AND EQUIVALENCIES

ADDITIONAL INFORMATION PROVIDED BY MANAGEMENT

Impact metrics quantify the environmental result associated with the allocation of green bond proceeds. The selected metrics and methodology have been informed by The Green Bond Principles Harmonized Framework for Impact Reporting (June 2019). All metrics are for the Salesforce Tower project, which has a total area of 1.7 million gross square feet. Green bond proceeds from this offering represent a 87% share of the total project development costs incurred through June 30, 2019.

<u>Environmental Impact Metrics</u>	<u>Annual Total</u>	<u>% Reduced/Avoided</u>	<u>Annual Amount Reduced/Avoided<sup>1</sup></u>
Energy	53,946 MBtu	34.5	24,729 MBtu
Carbon Emissions	4,396 MTCO <sub>2</sub> e	61.5	6,123 MTCO <sub>2</sub> e
Indoor Water	5,593 kGal	40.0	3,245 kGal

## Equivalency Calculations

The annual savings associated with the environmental impact metrics based on the allocation of green bond proceeds at Salesforce Tower are equivalent to the following:



### ENERGY

Heating, cooling, and power for 321 U.S. homes<sup>2</sup>



### CARBON EMISSIONS

Removing 1,300 gasoline-powered vehicles from the road annually<sup>3</sup>



### WATER

Filling over 4.9 Olympic-sized swimming pools<sup>4</sup>

<sup>1</sup>Annual amount reduced/avoided has been adjusted to 87% of total reduced/avoided because the net proceeds allocated from this offering amount to 87% of the project development costs incurred through June 30, 2019.

<sup>2</sup>U.S. Energy Information Administration, 2018

<sup>3</sup>U.S. Environmental Protection Agency, 2019

<sup>4</sup>New World Encyclopedia, 2016



# PROJECT PROFILE

## ADDITIONAL INFORMATION PROVIDED BY MANAGEMENT

Salesforce Tower is a high-performance workspace designed to promote the health and wellbeing of its inhabitants. At 1.7 million square feet, the 61-story tower at the former Transbay Transit Center in the South of Market neighborhood was the first in San Francisco to be pre-certified at the LEED Platinum® level. The building provides optimal daylight, views and ventilation strategies for increased occupant satisfaction and energy efficiency. Collectively, these features provide a superior indoor environmental quality that promotes health, wellness and productivity while optimizing initial costs and utility-related operating expenses.

At 1,070 feet, the LEED Platinum® Salesforce Tower is the tallest building in San Francisco and earned more points under the LEED Version 3 Rating System than any other skyscraper in the State of California. The project was designed to reduce energy costs 30% below California's Title 24 Building Energy Efficiency Standards and has a design site energy use intensity of 28.2 kBtu per square foot, per year. Architectural and mechanical systems work together, actively and passively, to conserve energy. High performance, low-emissivity glass and integrated metal sunshades will help to reduce cooling loads and solar heat gain. Increased floor-to-floor heights allow for expansive vision glazing and optimal levels of natural day-lighting of the space. Access to daylight and views promotes energy efficiency and provides a more pleasant work environment for Salesforce Tower occupants. Biophilic amenities include 360-degree views of the surrounding landscape and connectivity to a tree-lined 5.4 acre public park.





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[www.bxp.com/commitment](http://www.bxp.com/commitment)

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